## LAW OFFICES OF STAN K. YANG

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WRITER'S E-MAIL: stan@yanglawgroup.com

September 25, 2009

Marlene H. Dortch, Secretary Federal Communications Commission Office of the Secretary 9300 East Hampton Drive Capitol Heights, MD 20743

Re:

CC Docket No. 02-6; APPEAL OF USAC COMMITMENT ADJUSTMENT DECISIONS AND REQUEST FOR REVIEW

Dear Ms. Dortch:

This firm represents KCG Enterprises, Inc. ("KCG"), a service provider (SPIN #143026242) under the USAC E-Rate Program. On September 11, 2009, KCG filed a request for waiver to file this appeal on the basis that USAC sent its Notification of Commitment Adjustment Letters to an old address that KCG has not used since October, 2006. A copy of KCG's waiver request letter is attached for your reference.

As follow up to its September 11, 2009 waiver request, please accept this letter as KCG's appeal to USAC's Commitment Adjustment Decisions and resulting demand payment letters totaling \$309,573.62 for the following Form 471 Application Numbers:

382443, 382757, 383397, 383436, 383548, 383798, 390799, 423416, 472588, 479619, 479917, 482169, 482621, 482797, 482890, and 482964

KCG files its appeal on the basis that the USAC decision is incorrect in that KCG's employee did not have relationships with the respective applicants which unfairly influenced the outcome of the bidding or furnished KCG with "inside" information or allowed KCG to unfairly compete in the bidding process in any way. It is KCG's understanding that each project to which KCG was awarded the contract and provided services under the Program was competitively bid by the respective applicant. KCG was not involved in any way in the bidding process or the applicant's vendor selection process. Moreover, it is KCG's position that if there were any violation of the Program rules, the applicants were equally at fault and should share equally with KCG in the recovery of disbursed funds. Lastly, KCG asserts that a number of the Notifications for contracts completed in 2003-2004 are time-barred by the 5-year statute of limitations.

Marlene H. Dortch, Secretary Federal Communications Commission September 25, 2009 Page 2

KCG respectfully requests that the FCC review the USAC decisions as set forth above.

Very truly yours,

Stan K. Yang

Encl.

cc: Ms. Gina Spade, FCC (via email)

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September 11, 2009

## Via FedEx

Marlene H. Dortch, Secretary Federal Communications Commission Office of the Secretary 9300 East Hampton Drive Capitol Heights, MD 20743

Re: CC Docket No. 02-6; REQUEST FOR WAIVER TO APPEAL COMMITMENT ADJUSTMENT DECISION

Dear Ms. Dortch:

This firm represents KCG Enterprises, Inc. ("KCG"), a service provider (SPIN # 143026242) under the USAC E-Rate Program. We are writing to request a waiver of the 60 day period to appeal the USAC's Notification Commitment Adjustment Letter ("CAL") because the USAC sent CALs to a defunct business address for KCG. There were 21 CALs sent, affecting the following Form 471 Application Numbers:

382443, 382757, 383397, 383436, 383548, 383798, 390799, 423416, 472588, 479619, 479917, 482169, 482621, 482797, 482890, and 482964

Attached for your review are samples of the notices that were sent by USAC. The other twenty notices are similarly dated:

- Notification of Commitment Adjustment Letter dated <u>June 8, 2009</u> from the USAC to KCG. The letter was addressed to KCG's former business address in Gardena, California.
- Second Delivery Attempt dated <u>July 28, 2009</u> from the USAC to KCG's current business address in Torrance, California.
- Demand Payment Letter dated <u>August 10, 2009</u> from the USAC, but again addressed to an address that KCG no longer receives mail.

Marlene H. Dortch, Secretary Federal Communications Commission September 11, 2009 Page 2

Please be advised that the last E-Rate project in which KCG participated was in 2006. Since then, KCG had no further contact with USAC. In late October, 2006, KCG changed its office address from Gardena to Torrance, California. Since it had no plans to participate further in the E-Rate program, KCG did not advise USAC of its change of address. Moreover, KCG is not aware of a requirement in the E-Rate program that it had to continually update the USAC of any address changes when it is no longer a program participant.

Based on the foregoing, it is clear that USAC's June 8, 2009 Notification of Commitment Adjustment were erroneously sent to a defunct address. The USAC then corrected its mistake by sending the Second Delivery Attempt on July 28, 2009 to the correct address. However, the Second Delivery Attempt letter did not adjust the commencement of the 60 day appeal period to July 28, 2009.

Public policy would be served by allowing KCG the full 60 day period to prepare for and file its appeal upon receipt of proper notice. Accordingly, KCG respectfully requests that it be allowed 60 days from July 28, 2009, i.e. September 28, 2009, to file its appeals with the FCC and that any interest and penalty that may be assessed under the Demand Payment Letters be tolled until KCG's appeals are heard. In the meantime, KCG is proceeding diligently to prepare its appeal documentation to submit to your office by September 28, 2009.

We would appreciate your kind consideration of this request and confirmation at your earliest convenience. Please contact the undersigned if you have any questions. Thank you.

Very truly yours,

Stan Gang

Stan K. Yang

Encl.

cc: KCG Enterprises, Inc.